GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:144
ANSWERED ON:18.11.2002
REVIVAL OF TRADITIONAL RURAL INDUSTRIES IN MADHYA PRADESH
RAMANAND SINGH

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether traditional rural professions like weaving and spinning, black smith, carpentry, oil extraction are gradually dwindling in the country especially in Madhya Pradesh where rural youth are migrating to cities as a result thereof;

(b) if so, whether the Union Government and the State Governmentare jointly formulating any scheme to revive the traditional rural industries and to check exodus of unemployed youths in Reeva region of Madhya Pradesh; and

(c) if so, the details thereof?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

(a) to (c): In order to arrest the large scale migration of rural youth from rural to urban areas in search of better opportunity, the Government through the Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generatior Programme since 01.04.1995 in all the States including Madhya Pradesh. Under this scheme, the KVIC provides margin money assistance at the rate of 25% of the project cost upto Rs. 10 lakhs and for the project above Rs. 10 lakhs and upto Rs. 25 lakhs,rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project. In the case of SC/ST/ OBC/Women/ Physically Handicapped/Ex-Servicemen and Minority Community beneficiary / institution and for hill border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the margin money grant is 30% of the project cost upto Rs. 10 lakhs but above this amount and upto Rs. 25 lakhs it is 30% of 10 lakhs plus 10% of the remaining cost of the project. Under this scheme, the beneficiary`s contribution is at least 10% of the project cost. In case of SC/ST and other weaker sections, beneficiary`s contribution is 5% of the project cost. This scheme is being implemented through Public Sector banks, Regional Rural Banks etc. In the State of Madhya Pradesh as on 31.3.2002, 16779 projects under REGP of KVIC were financed which resulted in generation of 165741 employment opportunities.

Moreover, for the development and promotion of KVI sector, the Government had announced a package on 14.5.2001, which is under different phases of implementation. The package consists of Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.